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## #5 STRATEGIC MANAGEMENT DECISIONS USING DATA TO MAKE HUMAN RESOURCES PROFITABLE



Shane Douthitt,  
co-founder and managing  
partner at Strategic  
Management Decisions

### SHANE DOUTHITT, PARTNER



**What led you to business instead of academia after earning a Ph.D.?** I considered academia for a while, but once I finished my dissertation, I decided I wanted to go into the real world and apply the things I'd learned.

**It appears you learned quickly.** I've always been an entrepreneur. In high school, I started my own landscaping company. I worked at a nursery and so I had access to clients. My boss encouraged me because he knew my designs would lead to more sales. By the end of high school, I had six or seven guys working with me.

**Would starting this business have been possible a decade ago?** A bunch of things have converged to make this possible, including the amount of data we can handle and the speed we can work with it. We are able to store data because of lower costs. All of our data analytics are done in real time. It would have been impossible to do this business even seven or eight years ago.

BY LAURA WILLIAMS-TRACY

Shane Douthitt is on a mission to change the image of human resources in business.

Even among the most progressive organizations, HR is seen as a cost center, not a place to apply analytics to improve operations.

"Organizations work from the assumption that people are our most important asset, but they don't treat HR like it has to build a business case. HR never has to show ROI," Douthitt says. "We wanted to help organizations do a better job of demonstrating the value of their investment in people."

Douthitt and partner Scott Mondore, a

classmate when both were earning a doctorate in organizational psychology at the University of Georgia, launched Strategic Management Decisions in 2008 with the aim of using software to identify and address human-resources issues.

Fresh from writing two books on the topic for the Society of Human Resources Management, the pair started the business as a consulting company offering analytical services and program design. Business was good, but Douthitt and Mondore saw more potential in building their own analytics-based talent-management platform. The product, called SMDLink, transformed the strategy and trajectory of the business. Its three-year growth rate is 159%.

With SMDLink, data from employee-engagement surveys is used to guide improvements. For example, a survey of nurse managers can determine whether an employee who is assigned to work on a certain skill, such as communication, ultimately will improve patient satisfaction. Companies can use data to determine if employees are applying core knowledge to their sales presentations and what training is needed. Companies plagued by high turnover rates have used SMDLink with new hires to assess their expectations of the job to ensure a proper fit.

"It's psychology applied to work, so we can help companies hire better, train better and make money," Douthitt says. "If we can't tell the customer the expected ROI or actual ROI, then we have failed. Our goal is to turn HR into a profit center from a cost center."

The company has redesigned two core platforms that are launching in January to build on its 159% growth rate over the last three years. Strategic Management Decisions has grown to 10 employees and has clients nationwide.

The biggest challenge, Douthitt says, is getting a chance to explain the benefits that data analytics offer to HR functions.

"If we get in front of the CEO, they love what we say," Douthitt says. "HR has always talked about being in the C-suite, and we're showing them how to demonstrate the ROI of what they do."

THE LIST



# THE FAST 50

RANKED BY AVERAGE REVENUE GROWTH FROM 2012 TO 2014

	Business name/prior rank Website	Address Phone	Revenue growth 2012-14	No. of employees	Business description	Top executive(s)	Chief financial officer	Year founded locally
1	<b>InfoSense Inc.</b> <sup>⊕</sup> infosenseinc.com	1800 Camden Rd., #107-204 Charlotte, NC 28203 877-747-3245	464.91%	6	Sewer system acoustic inspection technology	George Selembo	Alex Churchill	2007
2	<b>Tresata</b> <sup>⊕</sup> tresata.com	222 S. Church St., #430M Charlotte, NC 28202 980-224-3005	275.04%	30	Big data analytics	Abhishek Mehta	Mark Connolly	2011
3	<b>Barton Contracting Corp.</b> <sup>⊕</sup> bartoncontracting.com	1310 S. Tryon St., #106 Charlotte, NC 28203 704-910-4264	217.07%	60	Concrete; asphalt; sealcoating; striping and signage; stamped asphalt	Bart Ward	Paul Van Wie	2010
4	<b>Crescent Communities</b> <sup>⊕</sup> crescentcommunities.com	227 W. Trade St., #1000 Charlotte, NC 28202 980-321-6000	179.2%	153	Commercial real estate developer	Todd Mansfield; Brian Natwick; Brian Leary	Kevin Lambert	1963
5	<b>Strategic Management Decisions (SMD)</b> smdhr.com	13016 Eastfield Rd., #200-226 Huntersville, NC 28078 404-808-4730	158.86%	7	Human resources management and analytics software	Shane Douthitt; Scott Mondore	Scott Mondore	2008
6	<b>Xoom Energy LLC</b> <sup>⊕</sup> xoomenergy.com	11208 Statesville Rd., #200 Huntersville, NC 28078 888-997-8979	141%	135	Electricity and natural gas service	Thomas Urly	David Vail	2011
7	<b>CDI Southeast</b> <sup>①</sup> cdillc.com	1111 Metropolitan Ave., #1070 Charlotte, NC 28204 704-716-0010	128.66%	30	Technology infrastructure services	Dave Brown	Dave Brown	2010
8	<b>Darton Group Consulting LLC</b> <sup>Ⓜ</sup> dartongroup.com	1300 S. Mint St., #350 Charlotte, NC 28203 704-525-9378	110.77%	35	Finance, accounting and project management consulting	Rochelle Rivas	NA	2008
9	<b>DC74</b> <sup>②</sup> dc74.com	3101 International Airport Dr., #400 Charlotte, NC 28208 704-405-8636	96.79%	23	Owner and operator of data centers	Tareq Amin	Cindy Gartz	2008
10	<b>Corporate Armor</b> <sup>⊕</sup> corporatearmor.com	13739 Steele Creek Rd., #201 Charlotte, NC 28273 877-449-0458	92.58%	15	Data security and data storage	Thomas Schiffers	Gaynor Patterson	2011
11	<b>Lakeside Project Solutions LLC</b> <sup>Ⓜ</sup> lakesideps.com	405 N. Pilot Knob Rd. Denver, NC 28037 704-483-3739	84.85%	43	Facility maintenance and general contracting	Becky Loranger	NA	2009
12	<b>SignUpGenius</b> <sup>⊕</sup> signupgenius.com	13777 Ballantyne Corporate Pl., #500 Charlotte, NC 28277 704-329-9530	84.09%	19	Online sign ups	Dan Rutledge	Angel Rutledge	2008
13	<b>McIlveen Family Law Firm</b> <sup>⊕</sup> mcilveenfamilylaw.com	174 S. South St., #301 Gastonia, NC 28052 704-865-9011	81.23%	21	Law firm	Angela McIlveen; Sean McIlveen	Angela McIlveen	2011
14	<b>Search Solution Group</b> <sup>Ⓜ</sup> searchsolutiongroup.com	2201 South Blvd., #300 Charlotte, NC 28203 704-332-8702	78.98%	19	Executive search	Jeremy Gnozzo	NA	2002
15	<b>Costner Law Office PLLC</b> <sup>③</sup> costnerlaw.com	10150 Mallard Creek Rd., #106 Charlotte, NC 28262 980-219-7637	75.45%	60	Law firm	Josh Costner	Jennifer Barnes	2009
16	<b>RBC Utilities Inc.</b> <sup>④</sup> rbcutilitiesinc.com	4381 Charlotte Hwy., #101 Lake Wylie, SC 29710 704-622-8003	73.24%	68	Utility contractor	Bill Cummings	Bill Cummings	2009
17	<b>Command Partners</b> <sup>⊕</sup> commandpartners.com	310 Arlington Ave., #304 Charlotte, NC 28203 704-910-5727	68.73%	17	Marketing and advertising	Roy Morejon	NA	2011
18	<b>Tattoo Projects</b> <sup>⊕</sup> tattooprojects.com	508 W. 5th St., #225 Charlotte, NC 28202 704-900-7150	66.82%	16	Advertising and marketing agency	Rudy Banny; Buffy Kelly	Laura McDonald	2006
19	<b>Impact Financial Systems Inc.</b> <sup>Ⓜ</sup> ifsautomation.com	721 Jetton St., #300 Davidson, NC 28036 704-894-9331	66.48%	32	Financial-services technology	Tim Parsons	Jeff Deming	2002
20	<b>Skookum</b> <sup>⊕</sup> skookum.com	201 S. Tryon St., 15th Fl. Charlotte, NC 28202 704-930-7444	59.43%	53	Software development	James Hartsell; Don Post; Michael Scully	James Hartsell	2005
21	<b>CCS Construction Staffing</b> <sup>Ⓜ</sup> staffccs.com	6712 Old Pineville Rd. Charlotte, NC 28217 704-561-0053	56.28%	35	Staffing	Matt Telmanik	Matt Telmanik	2008
22	<b>AvidXchange Inc.</b> <sup>Ⓜ</sup> avidxchange.com	1111 Metropolitan Ave., #650 Charlotte, NC 28204 800-560-9305	55.96%	420	Accounts payable software	Michael Praeger	Karen Bertaux	2000
23	<b>Intelligent Buildings LLC</b> <sup>⊕</sup> intelligentbuildings.com	6201 Fairview Rd., #310 Charlotte, NC 28210 704-759-2700	55.73%	30	Planning and implementation management of building projects	Rob Murchison; Tom Shircliff	Rob Murchison	2004
24	<b>MetroTech Automotive</b> <sup>⑦</sup> metrotechauto.com	2101 Wilkinson Blvd. Charlotte, NC 28208 704-525-3600	55.44%	500	Automotive detail services	Steve Kessel	Steve Kessel	1987
25	<b>Movement Mortgage</b> <sup>Ⓜ</sup> movement.com	11405 N. Community House Dr., #200 Charlotte, NC 28277 704-297-4029	54.73%	2,246	Mortgage bank	Casey Crawford	Laura Bowles	2008